

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF WESTERN)	CASE NO. 8227-K
KENTUCKY GAS COMPANY)	

AMENDED ORDER

On October 9, 1981, the Commission issued its Order in Case No. 8227 approving certain adjustments in rates and providing under certain conditions for the future adjustment of such rates when the wholesale cost of gas is increased or decreased.

On January 7, 1983, Western Kentucky Gas Company ("Western") filed Case No. 8227-K to reflect a decrease in the cost of gas from Texas Gas Transmission Corporation ("Texas Gas") and to reflect an increase from Tennessee Gas Pipeline Company ("Tennessee").

On January 21, 1983, Tennessee filed Second Substitute Sixth Revised Sheet No. 21 to Original Volume No. 1 of its FERC Gas Tariff to be effective January 1, 1983. The purpose of this filing is to reduce Tennessee's surcharge for amortizing its Unrecovered Purchased Gas Cost Account in compliance with FERC order issued December 28, 1982, in Docket Nos. TA83-1-9 and IN79-3. Also, on January 31, 1983, Tennessee filed Eighth Revised Sheet No. 20 and Seventh Revised Sheet No. 21 to Original Volume No. 1 of its FERC Gas Tariff. These rates differ from those originally

filed in Case No. 8227-K because of the removal of costs associated with facilities not in service as of December 31, 1982, the adjustment to reflect the actual balance of advance payments in Account 166 as of December 31, 1982, and the reflection of the current average cost of purchased gas.

After reviewing the notice filed in this case and being advised, the Commission is of the opinion and finds that:

(1) As a result of the changes effective as aforesaid the cost of gas to Western for the 12 months ended November 30, 1982, would have decreased \$112,230, rather than \$359,105 increase originally filed.

(2) Western requests that this filing become effective on and after February 1, 1983. Western should report to the Commission any excess revenues collected during the period of January 1, 1983, through January 31, 1983, along with a plan to refund any excess collections to its customers.

(3) Western's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8227, dated October 9, 1981, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after February 1, 1983.

(4) Western's base supplier rate for purchased gas will be as follows:

	<u>Demand/Mcf</u>	<u>Commodity/Mcf</u>
Texas Gas Transmission Corp.		
G-2	\$5.53	\$3.5513
G-3	6.36	3.6029
G-4	6.90	3.6462
	<u>Commodity/Mcf</u>	<u>Gas Rate/Dth</u>
Tennessee Gas Pipeline Company		
G-2	\$.3606	\$3.4199
GS-2	.8365	3.4199
Local Producers	-	3.8120

Western's adjustment in rates under the purchased gas adjustment clause, as set out in Exhibit D, page 1, of its notice herein in the amount of \$1.1764 per Mcf, is fair, just and reasonable and in the public interest and should be allowed to become effective for service rendered on and after February 1, 1983.

IT IS THEREFORE ORDERED that the purchased gas adjustment in Appendix A be and it hereby is approved effective for gas supplied on and after February 1, 1983.


IT IS FURTHER ORDERED that the base supplier rate as set out in Finding 4 above be and it hereby is effective for gas supplied on and after February 1, 1983.

IT IS FURTHER ORDERED that Western shall report to the Commission any excess revenues collected during the period of January 1, 1983, through January 31, 1983, along with a plan to refund any excess collections to its customers.

IT IS FURTHER ORDERED that within 30 days from the date of this Order, Western shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 9th day of February, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8227-K Amended
DATED FEBRUARY 9, 1983.

The following rates are prescribed for the customers in the area served by Western Kentucky Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES:

Applicable to All Rate Schedules

Purchased Gas Adjustment

To each bill rendered under all rate schedules there shall be added an amount equal to: \$1.1764 per Mcf of gas used during the billing period.